

FEDERAL HOUSING ADMINISTRATION
WASHINGTON

STEWART McDONALD
ADMINISTRATOR

November 17, 1939

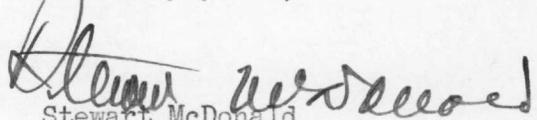
Honorable Marriner S. Eccles
Chairman of the Board
Federal Reserve System
Washington, D. C.

Dear Marriner:

You will observe that even without the help of the so-called Housing Division of the Department of Commerce the FHA are already building homes for \$2500 or less.

However, we do our work the old-fashioned way --- with labor, materials, hammers and nails on the site --- and not with typewriters, mimeographs, radios, newspapers, personal biographies, self-publicizing articles, etc.

Sincerely yours,



Stewart McDonald
Administrator

Dwellings Costing \$2,500 or Under Financed Through Title I Loans

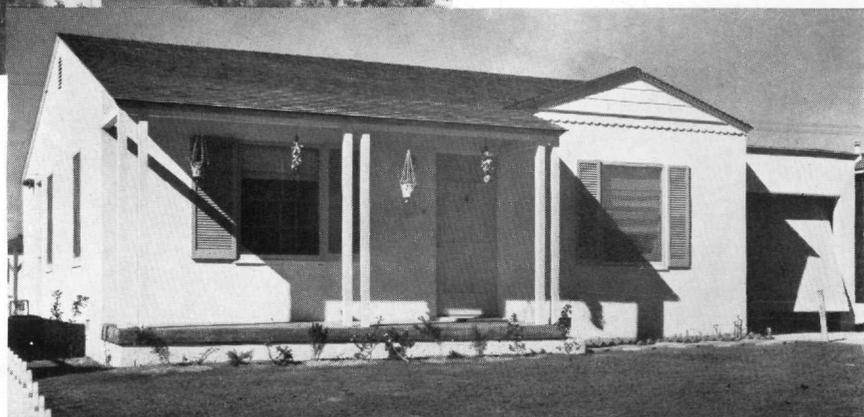
The recently amended FHA regulations governing new-home loans under Title I have opened a new, profitable field to lending institutions. A few of the many homes constructed through such loans are illustrated here



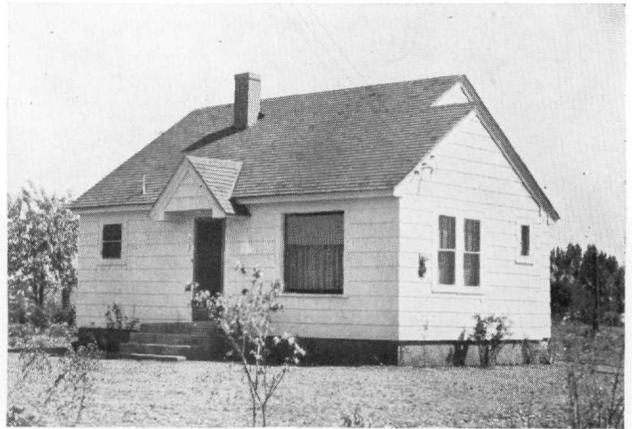
California has proved a fertile field for Title I, Class 3 (new-home) loans, since the climate facilitates building of homes within the \$2,500 loan maximum



This Chicago home was financed through a \$1,475 Title I loan, the borrower himself doing the installation work on plumbing, wiring, and the interior finish



Burbank, Calif., is the site of this attractive small home, financed through a Title I loan



A \$1,600 Title I loan financed the Everett, Wash., home shown above; a \$2,400 loan the Spokane property shown at upper right; and a \$2,500 loan the Kansas City, Kans., residence shown at the right



Two other California homes financed through Title I loans are shown at right and lower right. The home shown below, in Chicago, was financed with a \$1,555 loan, the owner installing plumbing, wiring and fixtures, and the interior finishing

